

SCOPE OF THE 2004 MASTER PLAN FOR HIGHER EDUCATION

Revised November 1, 2002

Background

The Higher Education Coordinating Board's 2004 Master Plan for Higher Education will be submitted to the Legislature and Governor in December 2003. Preliminary work began this spring, and the Board discussed a statement summarizing the scope of the plan at its meeting on July 31 at Western Washington University. During that discussion, the members indicated their intention to focus on a limited number of core issues that are critical to the short-term and long-term future of higher education in Washington. Specifically, they said the 2004 Master Plan should address two key elements: (1) higher education funding; and (2) enrollment issues. They said the document should review the recent history and current status of higher education, and recommend policies to guide the state's strategies.

The document that begins on the following page is a revised version of the draft scope statement presented to the Board in July. Most importantly, it has been reorganized to reflect the primary themes of funding and enrollment. Other changes have been made to reflect the Board members' directions to the HECB staff; comments by representatives of the state's colleges and universities; and feedback from members of the state Legislature.

The purpose of the discussion at the September 25 meeting in Olympia is to review the attached scope statement and to consider the adoption of the attached Resolution 02-29. As discussed in July, the scope statement and Board resolution will focus the master plan and guide the activities of Board members and staff in the coming months.

Master Plan development process

Beginning with the scheduled meeting on October 29, the Board will review discussion papers on several major master plan issues and conduct discussions of the issues addressed in those reports.

October 29, Olympia	Higher education funding
December 12, UW Seattle	Higher education revenue options
January 2003, TBD	Enrollment access and opportunity
February 2003, TBD	Tuition and financial aid
March 2003, TBD	Branch campus issues
April/May 2003, TBD	College admissions and transfer issues

During spring 2003, the Board will consider specific recommendations for inclusion in the master plan. The draft master plan document will be developed next summer and will be available for public review in September 2003.

Scope of the 2004 Master Plan for Higher Education

Purpose and themes of the 2004 Master Plan

Washington has an excellent higher education system, but that system faces serious threats. Recent budget cuts, the large budget shortfall expected in 2003-05, double-digit tuition increases, and a lack of clear state goals threaten to undermine Washington's longstanding commitment to ensuring that all citizens have access to an affordable, high-quality college education.

Costs have risen considerably in recent years, but public colleges and universities receive less inflation-adjusted state funding per student than they did 10 years ago. Earlier this year, higher education spending was cut by a net of \$68.3 million. Students this fall are being forced to pay tuition increases of up to 16 percent – a burden that hits hardest at middle- and low-income students. Washington's best students – Washington Scholars and Promise Scholarship winners – are seeing the value of their awards eroded by tuition increases and budget cuts.

Public colleges and universities are being directed to serve more students, offer more costly technical instruction, and produce more "results" of all kinds, but they are being asked to do those things with fewer dollars and in the face of higher operating costs. If not addressed, current trends could deny future students the opportunities that Washington residents have taken for granted.

The HECB master plan offers an opportunity to discuss these critical issues – and to recommend actions to address them – *before* the state drifts farther down a path that, in the Board's view, will compromise higher education quality, restrict opportunities for students, and jeopardize the state's competitive position in the national and world economy.

Components of the 2004 Master Plan

1. The value and purpose of higher education

The master plan will include a concise statement of the purpose and value of higher education and a statement of the Board's goals for the state higher education system. This section of the plan will examine the critical role of higher education, including public and private colleges and universities, in promoting individual opportunity, strengthening the state economy, and supporting a democratic society.

2. The current status of higher education in Washington

The plan will review the core policies that underlie the state's higher education system and will describe the "state of the state" of higher education in relation to those policies. The plan will use key indicators to assess the health of the state system. The plan will assess progress toward goals identified in the last master plan, which was published in January 2000.

3. Examination of core higher education policies

The assessment of the current condition of higher education will lead to a re-examination of the effectiveness of existing policies and funding practices. The plan will focus on the issues of student enrollment access and higher education funding, which will face state policy-makers for the next several years. No single report or plan can definitively answer all of the questions that surround these issues, but the master plan will provide a foundation of information, analysis, and recommendations to help policy-makers reach well-informed decisions.

a. Enrollment opportunities:

The need for new enrollments: The Office of Financial Management estimates the state will need to fund about 29,000 additional full-time enrollments (FTEs) by 2010 in the public colleges and universities simply to maintain the current level of service to Washington citizens. These new enrollments will be needed *in addition to* the enrollment expansion that is already expected at private colleges and universities. This estimate is consistent with the enrollment projections from the HECB's 2000 Master Plan.

Key questions: How should the state respond to this enrollment pressure? Could the state expand opportunities for students by converting the branch campuses to self-governing four-year universities? Should some community colleges be permitted to evolve into baccalaureate degree-granting schools? What should be the role of the regional comprehensive universities? How will the growing diversity of Washington's population affect enrollment patterns and program needs? What are the capital construction implications of enrollment increases, especially at campuses that have reached their physical capacity and at schools with significant needs to preserve current capital assets?

High-demand enrollments: The need for specialized educational programs – often described as “high-demand” programs – is growing rapidly. The state has a mixed record in providing these programs. Currently, there are not enough skilled graduates to meet the state's need for more health care workers, computer engineers, and many other occupations. High-demand programs such as computer engineering and medical training are often some of the most expensive offerings at a college or university.

Key questions: How can the state respond more effectively to the need for new and expanded high-demand programs? Can the state enhance the economic impact of the college and university system without sacrificing “traditional” programs that have proven their worth in supporting an educated population? Should state funding recognize differences in educational program costs (i.e., upper division v. lower division, high-tech v. traditional classroom instruction)? What role can partnerships between public and private colleges and universities play in the state's high-demand strategies?

Branch campus issues: The Washington State Institute for Public Policy is conducting a study of the role, mission and operation of the research university branch campuses. Also, Washington State University is conducting an internal planning process to guide the future of its branches in Spokane, the Tri-Cities, and Vancouver. The HECB master plan initially will rely on the information and analysis related to these activities.

Key questions: Are the branch campuses fulfilling their original mission? Should the mission of the branches be expanded to allow for lower-division courses? What is the quality of the working relationships between the branch campuses and local community and technical colleges? Would new or different state policies increase the number of transfer students who receive their degrees through the branch campuses? What should be the mission of the regional universities' campus centers, and how should that mission relate to the branch campuses of the research universities?

Transfer of credit: Each year, about 12,500 community and technical college students transfer to four-year colleges and universities to continue their bachelor's degree studies. There is widespread agreement that the "transfer and articulation" system must work more efficiently and effectively for students if the state is to increase the number of highly trained and educated baccalaureate-level college graduates.

Key questions: What are the significant problems encountered by students who seek to transfer? What works well? What can the state do to improve the process? How should the state assign or coordinate institutional responsibility for the development of applied technical degrees?

Linkage between high school graduation and college admission: One of the primary points of intersection between the K-12 and higher education systems is the college admissions process. Regardless of which post-secondary option students pursue, they must be well-prepared in high school. However, students who graduate from high school are not necessarily prepared for college, as shown by enrollment rates in college remedial classes, college drop-out rates, and some students' slow time-to-degree.

Key questions: How should a college preparatory curriculum be defined? Should all students in high school be prepared for college? Should the Washington Assessment of Student Learning (WASL) be used in the college admissions process? Should Running Start students be treated as freshmen or as transfer students in the baccalaureate admissions process? Are the state's minimum college admissions criteria, developed in 1988 for the public baccalaureate institutions, still applicable?

b. Higher education system funding options

Budget and revenue issues: The HECB believes the state cannot maintain educational opportunity and quality in an environment where budgets are restricted while colleges and universities are required to continually serve more students and provide an ever-increasing array of services.

Key questions: What should be the state's goals and expectations for its colleges and universities? In the face of ongoing budget problems, should the state strive to make cost-effective (but still costly) improvements? Maintain the status quo? Learn to live with ongoing budget cuts? What would be the implications of those approaches? What is the state's interest in recruiting and retaining faculty? Should the state change the present method of funding its higher education system? Should the state use a dedicated funding source for higher education, or would dedicated funding simply be offset by reductions in the state's discretionary spending? What new revenue alternatives are available? Should the state grant more operating autonomy to the public research universities?

Tuition and financial aid: From 1977 to 1995, the state set tuition on the basis that students should pay a specified share of the cost of their education. State funding to the colleges and universities provided the remainder. Since the state abandoned the linkage of tuition to the cost of instruction, there has been no clear tuition-setting policy. As a result, decisions about tuition have been made on the basis of the state's financial needs of the moment. This situation leads to large spikes in tuition, puts significant stress on the financial aid system, and requires lawmakers to provide substantial funding increases for student aid during times when available funds are reduced.

Key questions: Should the state have a long-term tuition policy set in statute? Should the state change the current tuition-setting system to strengthen the linkage between tuition levels and overall higher education funding? What is the "fair share" of the costs that students and their families should bear? How much should taxpayers contribute? What has been the experience of other states with a "high-tuition, high-financial aid" approach? Should the state maintain or increase its current commitment to student financial aid?

4. Recommendations and goals for implementation

Based on the elements outlined above, the master plan will include recommendations regarding the state's core policies and funding practices for higher education. Where appropriate, the plan will include proposals for statewide goals, a discussion of responsibilities, and options for measuring performance.